

1:1 Replacement Ordinance Affordable Housing Preservation

City Council
April 4, 2017



The Challenge

Some of the affordable buildings in Boulder were built prior to current zoning. As they age, the right choice may eventually be to replace them. However the **legally established, nonconforming units** – those in excess of current zoning – **would be lost**.



Pinewood Apartments could lose 8 of 23 units

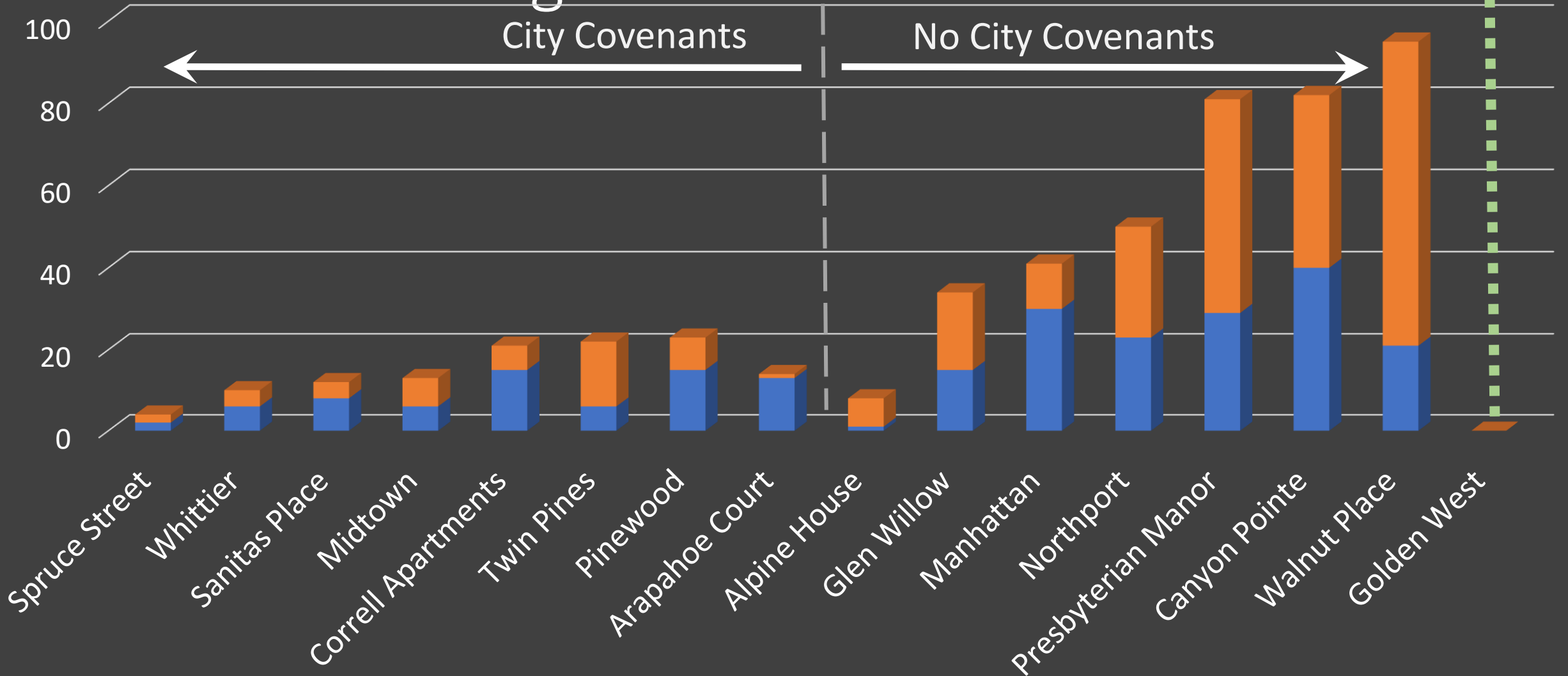
Goals

- **Preserve** Existing Affordable Apartments
- Improve **Stewardship** of Public Funds
- Advance **Climate Commitment** Goals



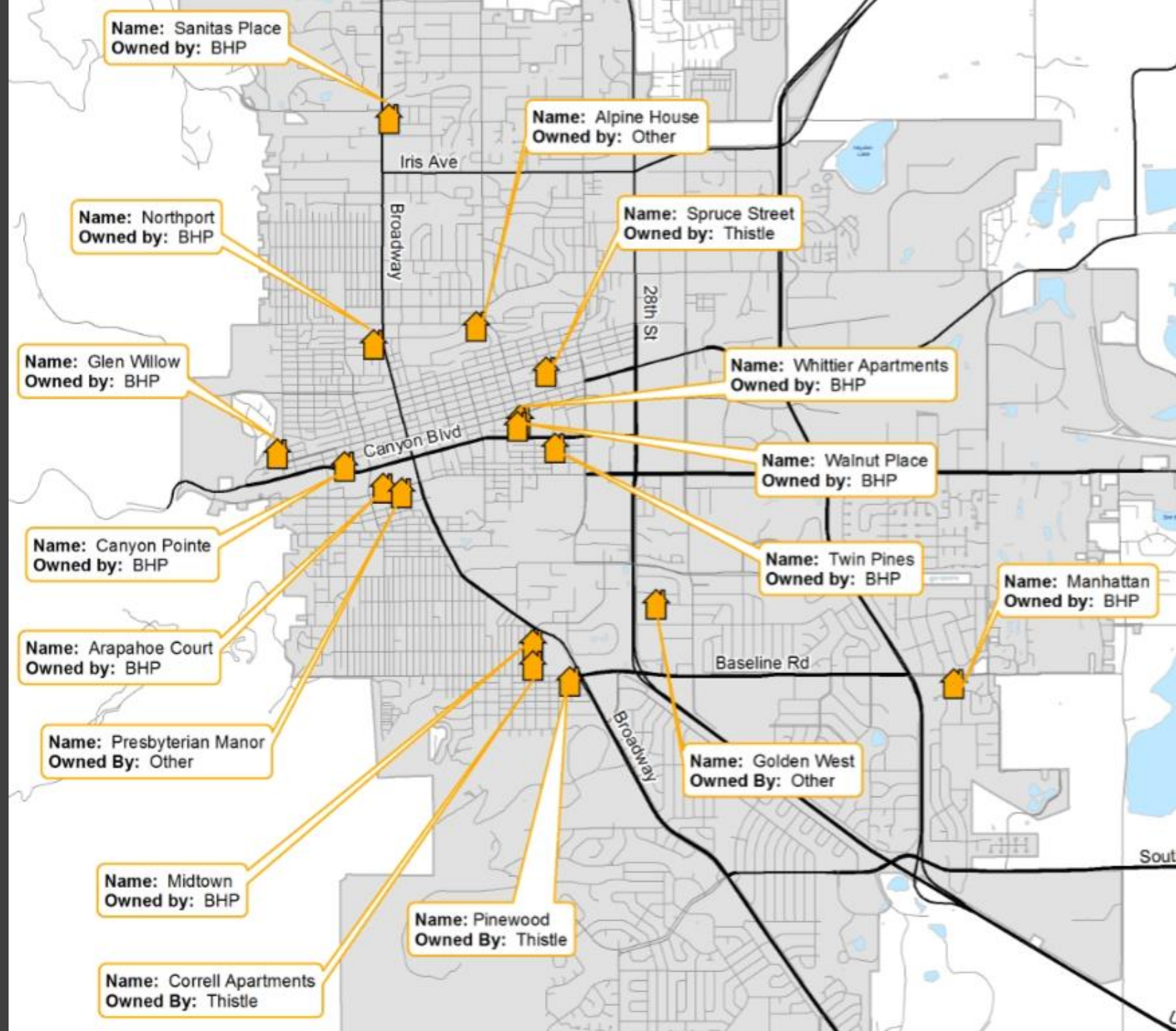
Glen Willow; Section 8, disabled, elderly, families;
could lose 15 of 34 units

Affordable Properties Identified with Nonconforming Units



PROPERTIES

- 16 properties with 228+ units at risk
- 2 exceed 55' height limit
- Average Age: 50 years
- Owned by: BHP 10, Thistle 3, others 3
- 6 Project-based Section 8
- People Served:
 - Seniors
 - Disabled
 - Families



Key Features of the Proposed Ordinance

- **Covenants:** 75% of Units (Minimum)
- **Loss of covenants?** No
- **New units?** No
- **Review Paths:**
 - **By-right:** Rebuild in Building Envelope
 - **Nonconforming Use Review:** Typical Criteria
 - **Site Review:** Anything beyond Use Review



Northport; Project-based Section 8; elderly and disabled; potential unit loss is 27 of 50 existing units

Quality Assurance for By-right Properties

- Secured through Funding Agreements
- Exterior materials, landscaping improvements, etc.



Walnut Place; Section 8, age 50+; could lose 58-74 of 95 units

Affordable Housing Preservation for Market-rate Properties?

32 market-rate properties with 10+ nonconforming units

No. Market
prices are too
high

maybe...

Could provide
market advantage
on severely
nonconforming

You would have to
know affordable
finance

Maybe a
competitive option
for an owner

February 16, 2017 Planning Board Vote

Recommended Adoption (9-0)

Additional Recommendations:

1. For properties not under city covenant, consider reducing min. covenant threshold from recommended 75% (5-2)
2. Consider allowing more units, subject to public review (5-2)



Canyon Pointe, Section 8, age 62+; could lose 42 or more of 82 existing units

Staff Response to Planning Board Input

1. Consider ↓ 75% Requirement

- Beyond original intent = maximum affordability preservation
- In mixed-income developments, tax credit syndicators prefer market-rate $\leq 30\%$

2. Consider ↑ Units

- Would increase intensity on these sites
- Beyond 1-to-1 replacement scope
- Additional public engagement

Motion to introduce, pass on first reading and order published by title only Ordinance No. 8175 amending Section 9-2-14, "Site Review" and Section 9-10-3, "Changes to Nonstandard Buildings, Structures, and Lots and Nonconforming Uses," B.R.C 1981 to allow and regulate the reconstruction and restoration of permanently affordable residential projects that are nonconforming as to density, and setting forth related details.